

The following article appeared in the Honolulu Star-Bulletin, 2/7/02. Please note that the two TV stations share common ownership and are requesting that the FCC allow this to be made permanent. In the incident below, no doubt because of the common ownership, neither station criticized the other for accepting money to broadcast, as news, the mayor's address. Neither raised the ethics issues which suggest themselves because they have the same management.

Were the stations independently managed, I can bet that one of them would have pounced on the other about this. Read on:

TheBuzz

BY ERIKA ENGLE

Friday, February 7, 2003

Newsblast? Advertisement?
Mayor Harris' address was both

Questions of ethics relating to the business of television, television news and city spending are gurgling about town in the wake of Mayor Jeremy Harris' broadcast State of the City address.

The City Council wants answers about the city's expenditure of \$6,000 to televise the address on two TV stations the evening of Jan. 24. The stations, KHON and KGMB, never disclosed to viewers the city paid for the time. Rather, the speech appeared to be part of a news broadcast.

"The city charter says the mayor may use radio and television to present his annual report to the public," said Carol Costa, Department of Customer Services director.

Rather than have the speech carried on public access channel 54 during the day when the audience is limited, the mayor wanted to give the address a greater airing during the evening, she said.

"It is very important that the public understand what the city government is doing. There are pivotal issues about the financial condition of the city," Costa said.

City Council Budget Committee Chairwoman Ann Kobayashi took issue with the spending but said, "the administration has their priorities and they spend the taxpayer's money according to their priorities."

The city did not approach each network-affiliated TV station about coverage. No overture was made to KITV, according to President and General Manager Mike Rosenberg.

KHNL was approached, but declined, said John Fink, vice president and general manager of KHNL and KFVE. To his knowledge there was no discussion of buying air time.

"We figured our news coverage would provide ample information," Fink said.

Neither KHNL or KITV broadcast the entire speech.

The city approached Rick Blangiardi, Hawaii market senior vice president for Indiana-based Emmis Communications Corp., which owns both KHON and KGMB.

Costa has been told that a half-hour block of time following the 6 p.m. news could cost \$10,000 on a single station. "This is a live production. They provided personnel, lights, everything, for just a very community-spirited price of \$3,000 for each station," she said.

Media watchdogs were surprised to learn that the broadcast on KHON and KGMB was paid for with taxpayer funds. Nobody TheBuzz interviewed remembers any disclosure made to viewers. Live coverage of the mayor's address was promoted on the stations' newscasts.

"It makes it seem like the station is broadcasting this public affairs program, that they independently determined that it is information the public should have and that it is in the public interest to broadcast it. If, in fact, they're being paid to broadcast the mayor's speech, that puts a considerably different spin on this," said Gerald Kato, associate professor of journalism at the University of Hawaii at Manoa. He is also a former newspaper and television journalist.

The broadcast came out of a sense of stewardship, Blangiardi said. "We have a responsibility as broadcasters to do certain things and clearly, always hopefully, for the good of the public."

In Kato's eyes, "a big discount (on the cost of air time) doesn't count as being in the public interest. Either you do it because there's a public interest and you do it at your cost or you disclose that you're being paid to do this," he said.

Blangiardi considers the ethics questions a nonissue. "We perceived (the speech) to be an important message and wanted to help put that message out there."

Blangiardi said he did not know whether the stations' news departments were told the city paid for the time.

Would the stations have covered the address without any financial consideration?

"Yes, probably yes, although I had concerns about the production costs," Blangiardi said. "We pre-empted two prime half-hours with substantial revenue to do both, and produced a television show. At the end of the day when you put all those things together we didn't make any money on the deal."

"How would you even represent (the city's portion of the funding)? Twenty percent of this is being paid for ... it's ridiculous. I thought we acted responsibly and to the best of my knowledge, appropriately."